



November 17, 2021

Colorado Ethics Commission  
1300 Broadway, Suite 240  
Denver, Colorado 80203

Commissioners:

This Complaint is filed on behalf of Defend Colorado and provides specific evidence demonstrating that the Office of Governor Jared Polis's former Chief of Staff Rick Palacio ("Palacio") violated Article XXIX of the Colorado Constitution ("Amendment 41") and specific state statutes related to ethics and financial improprieties.

Specifically, while Palacio was serving as Governor Polis' Chief of Staff, his own limited liability corporation was awarded a lucrative consulting contract. Palacio received both a "full time" government salary of over \$15,000 and a \$15,000 payment to his own company for consulting in the same month for the same work. This self-dealing and double dipping is clearly a conflict of interest and ethical violation carried out by the Office of the Governor and Palacio.

The lucrative state contract to Palacio, a Polis political ally who in 2018 was paid over \$329,000 to help elect Jared Polis as Governor, violates the very public confidence and trust that Amendment 41 was designed to maintain. In 2018, Palacio Strategies Group, LLC ("PSG LLC") and The Majority Institute, LLC, both owned by Rick Palacio, were paid \$310,400 out of \$1,047,400 raised by the independent expenditure committee supporting Polis's run for Governor, "Bold Colorado." "Polis for Colorado," the Governor's candidate committee, also paid The Majority Institute, LLC \$19,000 for "miscellaneous" services in 2018. (Colorado TRACER information attached as **Exhibit A.**)

This Complaint is timely, non-frivolous, qualifies under the jurisdiction of the Colorado Independent Ethics Commission (the "Commission"), and documents conclusive violations under Amendment 41 as well as violations of C.R.S. §§ 24-18-108, 24-18-201, and 24-18-105.

## **I. Commission Jurisdiction**

The Commission has jurisdiction over both the person and the subject matter of the Complaint.

Pursuant to Amendment 41, the Commission has jurisdiction over state employees of the executive branch. Palacio was an employee of the State of Colorado as defined by state law during the time period in which the ethical violations occurred. Colo. Const. art. XXIX, §2(1) and C.R.S. § 24-18-102(3).

The Commission has jurisdiction over violations of the state's code of ethics. Colo. Const. art. XXIX, § 5; and C.R.S. §§ 24-18-101 to 113. Rick Palacio violated the code of ethics under multiple provisions when he authorized a consulting contract providing personal financial benefits to himself through his LLC, while he was still employed by Governor Polis as Chief of Staff.

## II. Summary of Violations

From August 2020 to December 2020, the Office of the Governor employed Palacio as Interim Chief of Staff. In this capacity, Palacio served as a full-time state employee with salary and benefits. In his capacity as Chief of Staff, Palacio managed and directed all staff and divisions of the Office of the Governor. (Office of the Governor Organizational Structure attached as **Exhibit B.**)

While Palacio was serving as Chief of Staff for the Office of the Governor, the Office of the Governor awarded a highly paid consulting contract to a limited liability company owned and operated by Palacio, PSG LLC. Palacio, as Chief of Staff, authorized the lucrative contract to his own company. PSG LLC received monthly payments in the amount of \$15,000 from the Office of the Governor.

Rick Palacio's conflicting roles overlapped. In December 2020, Palacio received over \$15,000 from the State of Colorado for his "full time" state job as Chief of Staff. In that *same month*, PSG LLC received \$15,000 for his "strategic consulting" work for the Office of the Governor. This means that Palacio received double payments and Palacio was the state official who authorized the double payments. This act of self-dealing and double dipping is, of course, illegal under Amendment 41, as well as a direct violation of multiple state statutes, as detailed below.

## III. Summary of Facts

On March 9, 2017, Palacio formed PSG LLC. Palacio serves as owner and Registered Agent of the entity. (Evidence attached as **Exhibit C.**)

From August 1, 2020, through December 4, 2020, Palacio served as Chief of Staff in the Office of the Governor. Palacio served as a full-time state employee with full benefits. Over these four months, the State of Colorado paid Palacio \$58,846.24 in regular wages, and 40 hours of annual leave paid out in the amount of \$3,269.24. Palacio's annual leave for four months was accumulated at the rate of 10 hours per month. According to State Personnel rules, that rate of accumulation (10 hours per month) is limited to employees of the state after employment of 6 to 10 years (Palacio does not have 6 to 10 years of employment history with the State of Colorado). (Evidence of State Employment Payments attached as **Exhibit D.**)

Starting on December 1, 2020, which was prior to the expiration of Palacio's state employment as Governor Polis' Chief of Staff, the Office of the Governor executed a Purchase Order for PSG LLC for consulting services through May 31, 2021, paying Palacio's private company \$85,000. Remarkably, the state contract engaging PSG LLC was created and managed by the Chief of Staff. (Evidence of LLC Contract and Payments attached as **Exhibit E.**)

In December 2020, Palacio received two separate payments, one for \$16,346.20 from the State of Colorado: as a "full time state employee," and second, PSG LLC was paid \$15,000 from the State of Colorado for his consultant work providing "Strategic Consulting December 2020."

#### **IV. Statutory and Constitutional Violations**

##### **A) C.R.S. § 24-18-108 Violation**

C.R.S. § 24-18-108 requires that each public officer and state employee shall comport with basic fiduciary duties. Specifically, it provides that:

[a] public officer or a state employee shall not:

- (a) *Engage in a substantial financial transaction for his private business purposes with a person whom he inspects, regulates, or supervises in the course of his official duties;*
- (b) Assist any person for a fee or other compensation in obtaining any contract, claim, license, or other economic benefit from his agency;
- (c) Assist any person for a contingent fee in obtaining any contract, claim, license, or other economic benefit from any state agency; or
- (d) *Perform an official act directly and substantially affecting to its economic benefit a business or other undertaking in which he either has a substantial financial interest or is engaged as counsel, consultant, representative, or agent.*

C.R.S. § 24-18-108(2) (*emphasis added*).

The Office of the Governor and Palacio, in his role as Chief of Staff to the Office of Governor, unequivocally violated C.R.S. § 24-18-108. As Chief of Staff, Palacio managed and provided oversight of the Office of the Governor. Approving a high value consulting contract that benefitted his own financial interests is a direct violation of C.R.S. § 24-18-108(2)(a) and C.R.S. § 24-18-108(2)(d).

Palacio was a state employee who, during his state employment, obtained a contract with the very state agency that he directly managed as a state official. Directly approving or influencing the approval of a contract from the State of Colorado to his own limited liability corporation is a clear and direct violation of the fiduciary duties set forth in state statute. Palacio's contract was not only approved during his employment, but the contract term began when Palacio was still serving as Chief of Staff to the Office of the Governor.

##### **B) C.R.S. § 24-18-201 Violation**

C.R.S. § 24-18-201(1) prohibits a state employee from being involved with a self-dealing contract. The statute also prohibits the state entity from engaging in any contract involving an employee of that same entity. More broadly, this same statute also prohibits a former employee from entering into a contract with that former employer for a period of six months. While only one of the three facts are required to prove a violation of C.R.S. § 24-18-201(1), the Rick Palacio, with the assistance of the Office of the Governor, violated all three provisions. The relevant statute is

unambiguous and provides:

Members of the general assembly, public officers, local government officials, or employees shall not be interested in any contract made by them in their official capacity or by any body, agency, or board of which they are members or employees. A former employee may not, *within six months following the termination of his employment*, contract or be employed by an employer who contracts with a state agency or any local government involving matters with which he was directly involved during his employment.

C.R.S. § 24-18-201 (*emphasis added*). Palacio's consulting contract with the Office of the Governor *while* he was serving as Chief of Staff to the Office of the Governor violates each separate provision of this statute. First, Palacio, as Chief of Staff, managed and provided oversight over all Office of the Governor activities and expenditures and, therefore, was interested in the contract *made by him*. Second, Palacio's consulting contract was with the state agency in which he was an employee. Third, Palacio's consulting contract was with the state agency in which he was employed within six months of his termination.

Any one of these three scenarios is a violation of state statute. In this egregious case, the Office of the Governor and Palacio violated all three provisions of the statute.

### **C) C.R.S. § 24-18-105(3) Violation**

C.R.S. § 24-18-105(3) provides that a state employee shall not obtain employment in which he will take advantage, unavailable to others, of matter in which he was directly involved. The statute provides:

A public officer, a local government official, or an employees should not, within six months following the termination of his office or employment, obtain employment in which he will take direct advantage, unavailable to others, of matters with which he has been directly involved during the term of his employment. These matters include rules, other than rules of general application, which he actively helped to formulate and applications, claims, or contested cases in consideration of which he was an active participant.

C.R.S. § 24-18-105(3). Palacio served as Chief of Staff, managing and overseeing all matters before the Office of the Governor, and within six months obtained a consulting contract related to functions with which he was involved during state employment in direct violation of C.R.S. § 24-18-105(3). In this case, not only did Palacio and the Office of the Governor fail to comply with the six month "cooling off period," the private consulting contract was entered into and began *while* he was still employed by the very agency in which the contract was formed. This situation represents an outrageous and wanton conflict of interest that violates the public trust. It is a direct and flagrant violation of C.R.S. § 24-18-105(3).

## **D) Amendment 41 Violations**

Amendment 41 is designed to maintain public confidence and trust in Colorado government activities. The constitutional provision requires government employees to not only “avoid conduct that is in violation of public trust” but to avoid even an “impression among members of the public that such trust is being violated.” Colo. Const. art. XXIX, §1(1)(c). The relevant provision of Amendment 41 provides:

The people of the state of Colorado hereby find and declare that: (a) The conduct of public officers, members of the general assembly, local government officials, and government employees must hold the respect and confidence of the people; (b) They shall carry out their duties for the benefit of the people of the state; (c) They shall, therefore, *avoid conduct that is in violation of their public trust or that creates a justifiable impression among members of the public that such trust is being violated*; (d) *Any effort to realize personal financial gain through public office other than compensation provided by law is a violation of that trust*; and (e) To ensure propriety and to preserve public confidence, they must have the benefit of specific standards to guide their conduct, and of a penalty mechanism to enforce those standards.

Colo. Const. art. XXIX, §1(c). (*emphasis added*). Having the Office of the Governor authorize a lucrative contract with an LLC owned and operated by the Governor’s Office Chief of Staff is an egregious violation of Amendment 41. Such self-dealing and double dipping is unequivocally conduct that violates the public trust and, without question, creates a justifiable impression among members of the public that such trust is being violated.

In addition, accepting consulting payments from the Office of the Governor while serving as Chief of Staff to the Office of the Governor, and immediately after serving as Chief of Staff to the Office of the Governor, clearly imparts a “personal financial gain” to Palacio and is a violation of Amendment 41. Such violations must be subject to penalty in order to enforce these standards under Amendment 41.

## **V. Penalty**

Amendment 41 provides that any public officer or government employee “who breaches the public trust for private gain and any person or entity inducing such breach shall be liable to the state or local jurisdiction for double the amount of the financial equivalent of any benefits obtained by such actions.” Colo. Const. art. XXIX, § 6. In this case, Palacio and the Office of the Governor are responsible for breaching the public trust and must be held liable in accordance with Amendment 41.

In addition, the specific penalties for violations of C.R.S. §§ 24-18-108, 24-18-201, and 24-18-105 should be separately administered.

## VI. Conclusion

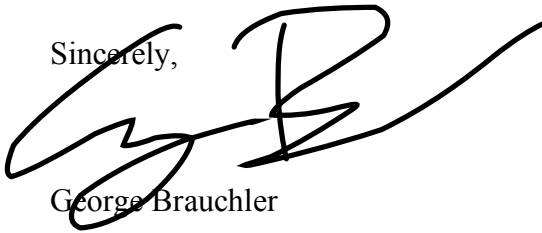
This Complaint demonstrates egregious ethical violations committed by Rick Palacio with the assistance of the Office of the Governor. These activities violate constitutional ethical standards under Amendment 41, as well as specific state ethics statutes (C.R.S. §§ 24-18-108, 24-18-201, and 24-18-105). Enforcement of these ethical violations is immediately necessary to preserve public trust in state government.

The Governor of Colorado is “[t]he supreme executive power of the state...who shall take care that the laws be faithfully executed.” Colo. Const. art. IV, § 2. The Office of the Governor committing flagrant violations of state ethics laws not only represents specific illegal acts, but creates a dangerous precedent for every other covered official in the State of Colorado.

These acts, carried out to financially benefit the sitting Chief of Staff, are equivalent to an agency head granting himself/herself or their spouse a lucrative state contract with the very agency he/she leads. These are not technical errors, but instead are intentional and egregious ethical violations at the highest level of state government that directly endanger public trust in government.

Thank you for your review of this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Brauchler', with a long, sweeping horizontal line extending to the right.

George Brauchler

# Exhibit A

Colorado Tracer Information

## 2018-19 Payments from “Bold Colorado” to Palacio Strategies Group, LLC from Colorado TRACER

Summary by: Month

Summary Groupings ▲	Total
January 2018	\$5,000.00
February 2018	\$17,500.00
May 2018	\$30,000.00
June 2018	\$25,000.00
August 2018	\$5,000.00
September 2018	\$5,000.00
October 2018	\$10,000.00
November 2018	\$75,000.00
January 2019	\$51,000.00

1 Page Size: 10 ▼

Total Expenditures = \$223,500.00

11 matching record(s) found.

Export To:    

Payee ▲	City, State	Expenditure Type	Amount	Date	Candidate/Committee Name	Ind.	Elec.	
PALACIO STRATEGIES GROUP LLC	DENVER, CO	Consultant & Professional Services	\$5,000.00	01/25/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
PALACIO STRATEGIES GROUP LLC	DENVER, CO	Consultant & Professional Services	\$5,000.00	02/01/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
PALACIO STRATEGIES GROUP LLC	DENVER, CO	Consultant & Professional Services	\$12,500.00	02/21/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
PALACIO STRATEGIES GROUP LLC	DENVER, CO	Consultant & Professional Services	\$30,000.00	05/15/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
PALACIO STRATEGIES GROUP LLC	DENVER, CO	Consultant & Professional Services	\$5,000.00	06/06/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
PALACIO STRATEGIES GROUP LLC	DENVER, CO	Consultant & Professional Services	\$20,000.00	06/26/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
PALACIO STRATEGIES GROUP LLC	DENVER, CO	Consultant & Professional Services	\$5,000.00	08/29/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
PALACIO STRATEGIES GROUP LLC	DENVER, CO	Consultant & Professional Services	\$5,000.00	09/25/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
PALACIO STRATEGIES GROUP LLC	DENVER, CO	Consultant & Professional Services	\$10,000.00	10/30/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
PALACIO STRATEGIES GROUP LLC	DENVER, CO	Consultant & Professional Services	\$75,000.00	11/09/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
PALACIO STRATEGIES GROUP LLC	DENVER, CO	Consultant & Professional Services	\$51,000.00	01/10/2019	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>

## 2018-19 Payments from “Bold Colorado” and “Polis for Colorado” to Palacio Strategies Group, LLC from Colorado Tracer

Summary by: Month

Summary Groupings ▲	Total
May 2018	\$80,900.00
June 2018	\$14,500.00
July 2018	\$10,500.00

1 Page Size: 10 ▼

Total Expenditures = \$105,900.00

8 matching record(s) found.

Export To:    

Payee ▲	City, State	Expenditure Type	Amount	Date	Candidate/Committee Name	Ind.	Elec.	
THE MAJORITY INSTITUTE LLC	DENVER, CO	Miscellaneous	\$12,000.00	05/21/2018	<a href="#">POLIS FOR COLORADO</a>	No	No	<a href="#">View</a>
THE MAJORITY INSTITUTE LLC	DENVER, CO	Miscellaneous	\$7,000.00	06/19/2018	<a href="#">POLIS FOR COLORADO</a>	No	No	<a href="#">View</a>
THE MAJORITY INSTITUTE LLC	DENVER, CO	Advertising	\$1,500.00	06/15/2018	<a href="#">BOLD COLORADO</a>	Yes	Yes	<a href="#">View</a>
THE MAJORITY INSTITUTE LLC	DENVER, CO	Advertising	\$1,500.00	06/15/2018	<a href="#">BOLD COLORADO</a>	Yes	Yes	<a href="#">View</a>
THE MAJORITY INSTITUTE LLC	DENVER, CO	Consultant & Professional Services	\$38,900.00	05/18/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
THE MAJORITY INSTITUTE LLC	DENVER, CO	Consultant & Professional Services	\$30,000.00	05/30/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
THE MAJORITY INSTITUTE LLC	DENVER, CO	Consultant & Professional Services	\$4,500.00	06/20/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>
THE MAJORITY INSTITUTE LLC	DENVER, CO	Consultant & Professional Services	\$10,500.00	07/02/2018	<a href="#">BOLD COLORADO</a>	No	No	<a href="#">View</a>

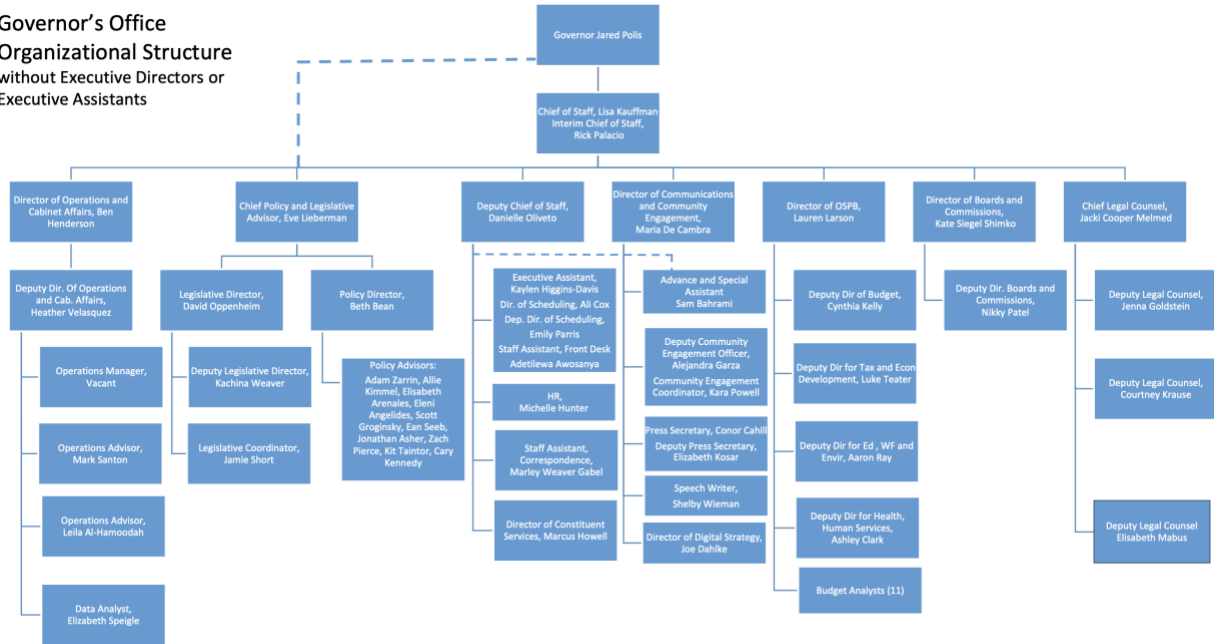
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# Exhibit B

Office of the Governor Organizational Structure

**Governor's Office  
Organizational Structure  
without Executive Directors or  
Executive Assistants**



# Exhibit C

Palacio Strategies Group, LLC Articles of Incorporation



Colorado Secretary of State  
 Date and Time: 03/09/2017 12:08 PM  
 ID Number: 20171193407  
 Document number: 20171193407  
 Amount Paid: \$50.00

Document must be filed electronically.  
 Paper documents are not accepted.  
 Fees & forms are subject to change.  
 For more information or to print copies  
 of filed documents, visit [www.sos.state.co.us](http://www.sos.state.co.us).

ABOVE SPACE FOR OFFICE USE ONLY

**Articles of Organization**

filed pursuant to § 7-80-203 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name of the limited liability company is

Palacio Strategies Group LLC

*(The name of a limited liability company must contain the term or abbreviation "limited liability company", "Ltd. liability company", "limited liability co.", "Ltd. liability co.", "limited", "l.l.c.", "llc", or "Ltd.". See §7-90-601, C.R.S.)*

*(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)*

2. The principal office address of the limited liability company's initial principal office is

Street address

1350 Lawrence St

*(Street number and name)*

Suite 4B

Denver

*(City)*

CO

*(State)*

80204

*(ZIP/Postal Code)*

United States

*(Country)*

*(Province – if applicable)*

Mailing address

(leave blank if same as street address)

*(Street number and name or Post Office Box information)*

*(City)*

*(State)*

*(ZIP/Postal Code)*

*(Province – if applicable)*

*(Country)*

3. The registered agent name and registered agent address of the limited liability company's initial registered agent are

Name

(if an individual)

Palacio

*(Last)*

Rick

*(First)*

*(Middle)*

*(Suffix)*

or

(if an entity)

*(Caution: Do not provide both an individual and an entity name.)*

Street address

1350 Lawrence St

*(Street number and name)*

Suite 4B

Denver

*(City)*

CO

*(State)*

80204

*(ZIP Code)*

Mailing address

(leave blank if same as street address)

*(Street number and name or Post Office Box information)*

\_\_\_\_\_  
(City) CO \_\_\_\_\_  
(State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent has consented to being so appointed.

4. The true name and mailing address of the person forming the limited liability company are

Name  
(if an individual) \_\_\_\_\_  
(Last) (First) (Middle) (Suffix)

or

(if an entity) Tierney Lawrence LLC  
(Caution: Do not provide both an individual and an entity name.)

Mailing address 225 E. 16th Avenue  
(Street number and name or Post Office Box information)  
Suite 350  
Denver CO 80203  
(City) (State) (ZIP/Postal Code)  
United States  
(Province – if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The limited liability company has one or more additional persons forming the limited liability company and the name and mailing address of each such person are stated in an attachment.

5. The management of the limited liability company is vested in

(Mark the applicable box.)

one or more managers.

or

the members.

6. (The following statement is adopted by marking the box.)

There is at least one member of the limited liability company.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

8. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are \_\_\_\_\_  
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

<u>Lawrence</u>	<u>Cara</u>		
<i>(Last)</i>	<i>(First)</i>	<i>(Middle)</i>	<i>(Suffix)</i>
<u>225 E. 16th Avenue</u>			
<i>(Street number and name or Post Office Box information)</i>			
<u>Suite 350</u>			
<u>Denver</u>	<u>CO</u>	<u>80203</u>	
<i>(City)</i>	<i>(State)</i>	<i>(ZIP/Postal Code)</i>	
<u>United States</u>			
<i>(Province – if applicable)</i>	<i>(Country)</i>		

*(If the following statement applies, adopt the statement by marking the box and include an attachment.)*

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

**Disclaimer:**

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

# Exhibit D

Evidence of State Employment Payments

### Employee Check Display

**COMPLETE NEXT TRANSACTION REQUEST.**

Organization ID	EAA	Employee ID	[REDACTED]	<i>Tax Marital Status and Allowances</i>	
Employee Name	PALACIO,RICK			[REDACTED]	
Schedule	082			[REDACTED]	
Check/Advice	A623440	Check Status	[REDACTED]	[REDACTED]	
Check Date	08/28/2020	End Date	08/14/2020	[REDACTED]	

**Current Grosses**

TTL	6,538.47	FWT	5,884.62	ST	5,884.62	SDI	6,538.47
FUT	6,538.47	SUT	6,538.47	RTR	6,538.47	2ST	.00
FCA	.00	MED	6,538.47	XCS	.00	LC1	6,538.47
LC2	.00	LC3	.00	LC4	.00	PERA	6,538.47

Earnings Type	Hours	Gross Amount	Deduction	Amount	Deduction	Amount
REGULAR	80.00+	6,538.47	PERA RETR	653.85		
			MEDICARE	94.81		
			FEDERAL T	760.92		
			STATE TAX	258.00		
			LOCAL TAX	5.75		
			ADL FED T	1000.00		

Total Gross  - Deductions  = Net Pay

Transaction	<input type="text" value="003 - Employee Check Display"/> ▼	Employee	[REDACTED]
Check/Advice	<input type="text" value="A623440"/>	Organization	<input type="text" value="EAA"/>



### Employee Check Display

**NEWER CHECK/ADVICE DISPLAYED.**

Organization ID	EAA	Employee ID	[REDACTED]	<i>Tax Marital Status and Allowances</i>	
Employee Name	PALACIO,RICK			[REDACTED]	
Schedule	091			[REDACTED]	
Check/Advice	A627321	Check Status	[REDACTED]	[REDACTED]	
Check Date	09/11/2020	End Date	08/28/2020	[REDACTED]	

**Current Grosses**

TTL	6,538.47	FWT	5,884.62	ST	5,884.62	SDI	6,538.47
FUT	6,538.47	SUT	6,538.47	RTR	6,538.47	2ST	.00
FCA	.00	MED	6,545.97	XCS	7.50	LC1	6,538.47
LC2	.00	LC3	.00	LC4	.00	PERA	6,538.47

Earnings Type	Hours	Gross Amount	Deduction	Amount	Deduction	Amount
REGULAR	80.00+	6,538.47	PERA RETR	653.85		
			MEDICARE	94.91		
			FEDERAL T	760.92		
			STATE TAX	258.00		
			LOCAL TAX	5.75		
			ADL FED T	1000.00		

Total Gross  - Deductions  = Net Pay

Transaction	003 - Employee Check Display	Employee	[REDACTED]
Check/Advice	A627321	Organization	EAA

### Employee Check Display

**NEWER CHECK/ADVICE DISPLAYED.**

Organization ID	EAA	Employee ID	[REDACTED]	<i>Tax Marital Status and Allowances</i>	
Employee Name	PALACIO,RICK			[REDACTED]	
Schedule	092			[REDACTED]	
Check/Advice	A631123	Check Status	[REDACTED]	[REDACTED]	
Check Date	09/25/2020	End Date	09/11/2020	[REDACTED]	

**Current Grosses**

TTL	6,538.47	FWT	5,884.62	ST	5,884.62	SDI	6,538.47
FUT	6,538.47	SUT	523.06	RTR	6,538.47	2ST	.00
FCA	.00	MED	6,545.97	XCS	7.50	LC1	6,538.47
LC2	.00	LC3	.00	LC4	.00	PERA	6,538.47

Earnings Type	Hours	Gross Amount	Deduction	Amount	Deduction	Amount
REGULAR	80.00+	6,538.47	PERA RETR	653.85		
			MEDICARE	94.92		
			FEDERAL T	760.92		
			STATE TAX	258.00		
			ADL FED T	1000.00		

Total Gross  - Deductions  = Net Pay

Transaction	003 - Employee Check Display	Employee	[REDACTED]
Check/Advice	A631123	Organization	EAA

### Employee Check Display

**NEWER CHECK/ADVICE DISPLAYED.**

Organization ID	EAA	Employee ID	[REDACTED]	<i>Tax Marital Status and Allowances</i>	
Employee Name	PALACIO,RICK			[REDACTED]	
Schedule	101			[REDACTED]	
Check/Advice	A665021	Check Status	[REDACTED]	[REDACTED]	
Check Date	10/09/2020	End Date	09/25/2020	[REDACTED]	

**Current Grosses**

TTL	6,538.47	FWT	5,884.62	ST	5,884.62	SDI	6,538.47
FUT	6,538.47	SUT	.00	RTR	6,538.47	2ST	.00
FCA	.00	MED	6,545.97	XCS	7.50	LC1	6,538.47
LC2	.00	LC3	.00	LC4	.00	PERA	6,538.47

Earnings Type	Hours	Gross Amount	Deduction	Amount	Deduction	Amount
REGULAR	80.00+	6,538.47	PERA RETR	653.85		
			MEDICARE	94.92		
			FEDERAL T	760.92		
			STATE TAX	258.00		
			LOCAL TAX	5.75		
			ADL FED T	1000.00		

Total Gross  - Deductions  = Net Pay

Transaction	003 - Employee Check Display	Employee	[REDACTED]
Check/Advice	A665021	Organization	EAA

### Employee Check Display

**NEWER CHECK/ADVICE DISPLAYED.**

Organization ID  Employee ID   
 Employee Name   
 Schedule   
 Check/Advice  Check Status   
 Check Date  End Date

*Tax Marital Status and Allowances*

██████████
██████████
██████████
██████████
██████████

**Current Grosses**

TTL	6,538.47	FWT	5,884.62	ST	5,884.62	SDI	6,538.47
FUT	6,538.47	SUT	.00	RTR	6,538.47	2ST	.00
FCA	.00	MED	6,545.97	XCS	7.50	LC1	6,538.47
LC2	.00	LC3	.00	LC4	.00	PERA	6,538.47

Earnings Type	Hours	Gross Amount	Deduction	Amount	Deduction	Amount
REGULAR	80.00+	6,538.47	PERA RETR	653.85		
			MEDICARE	94.91		
			FEDERAL T	760.92		
			STATE TAX	258.00		
			ADL FED T	1000.00		

Total Gross  - Deductions  = Net Pay

Transaction  Employee   
 Check/Advice  Organization

-

### Employee Check Display

**NEWER CHECK/ADVICE DISPLAYED.**

Organization ID	EAA	Employee ID	[REDACTED]	<i>Tax Marital Status and Allowances</i>	
Employee Name	PALACIO,RICK			[REDACTED]	
Schedule	111			[REDACTED]	
Check/Advice	A702593	Check Status	[REDACTED]	[REDACTED]	
Check Date	11/06/2020	End Date	10/23/2020	[REDACTED]	

**Current Grosses**

TTL	6,538.47	FWT	5,884.62	ST	5,884.62	SDI	6,538.47
FUT	6,538.47	SUT	.00	RTR	6,538.47	2ST	.00
FCA	.00	MED	6,545.97	XCS	7.50	LC1	6,538.47
LC2	.00	LC3	.00	LC4	.00	PERA	6,538.47

Earnings Type	Hours	Gross Amount	Deduction	Amount	Deduction	Amount
REGULAR	80.00+	6,538.47	PERA RETR	653.85		
			MEDICARE	94.92		
			FEDERAL T	760.92		
			STATE TAX	258.00		
			LOCAL TAX	5.75		
			ADL FED T	1000.00		

Total Gross  - Deductions  = Net Pay

Transaction	003 - Employee Check Display	Employee	[REDACTED]
Check/Advice	A702593	Organization	EAA

### Employee Check Display

**NEWER CHECK/ADVICE DISPLAYED.**

Organization ID	EAA	Employee ID	[REDACTED]	<i>Tax Marital Status and Allowances</i>	
Employee Name	PALACIO,RICK			[REDACTED]	
Schedule	112			[REDACTED]	
Check/Advice	A706222	Check Status	[REDACTED]	[REDACTED]	
Check Date	11/20/2020	End Date	11/06/2020	[REDACTED]	

**Current Grosses**

TTL	6,538.47	FWT	5,884.62	ST	5,884.62	SDI	6,538.47
FUT	6,538.47	SUT	.00	RTR	6,538.47	2ST	.00
FCA	.00	MED	6,545.97	XCS	7.50	LC1	6,538.47
LC2	.00	LC3	.00	LC4	.00	PERA	6,538.47

Earnings Type	Hours	Gross Amount	Deduction	Amount	Deduction	Amount
REGULAR	80.00+	6,538.47	PERA RETR	653.85		
			MEDICARE	94.92		
			FEDERAL T	760.92		
			STATE TAX	258.00		
			ADL FED T	1000.00		

Total Gross **6,538.47+** - Deductions **2,767.69+** = Net Pay **3,770.78+**

Transaction	003 - Employee Check Display	Employee	[REDACTED]
Check/Advice	A706222	Organization	EAA

### Employee Check Display

**NEWER CHECK/ADVICE DISPLAYED.**

Organization ID  Employee ID   
 Employee Name   
 Schedule   
 Check/Advice  Check Status   
 Check Date  End Date

Tax Marital Status and Allowances

████	████████████████████
████	████████████████████
████	████████████████████
████	████████████████████
████	████████████████████

**Current Grosses**

TTL	16,346.20	FWT	14,711.58	ST	14,711.58	SDI	13,076.96
FUT	16,346.20	SUT	.00	RTR	16,346.20	2ST	.00
FCA	.00	MED	16,346.20	XCS	.00	LC1	16,346.20
LC2	.00	LC3	.00	LC4	.00	PERA	16,346.20

Earnings Type	Hours	Gross Amount	Deduction	Amount	Deduction	Amount
REGULAR	80.00+	6,538.48	PERA RETR	1634.62		
REGULAR	80.00+	6,538.48	MEDICARE	237.02		
FURLOUGH	8.00-	653.85-	FEDERAL T	2942.13		
REGULAR	8.00+	653.85	STATE TAX	667.00		
ANL LEAVE	40.00+	3,269.24	LOCAL TAX	5.75		
			ADL FED T	1000.00		

Total Gross  - Deductions  = Net Pay

Transaction  Employee   
 Check/Advice  Organization

# Exhibit E

Evidence of PSG LLC Contract and Payments





# STATE OF COLORADO

Office of the Governor

Page 1 of 1

ORDER		*****IMPORTANT*****				
<b>Number:</b>	PO,EAAA,202100007088	The order number and line number must appear on all invoices, packing slips, cartons, and correspondence.				
<b>Date:</b>	12/1/20	<b>BILL TO</b>				
<b>Description:</b>	Strategic Consultant	COLORADO STATE CAPITOL 200 E. COLFAX AVE. #136 DENVER, CO 80203				
<b>Effective Date:</b>	12/01/20	<b>SHIP TO</b>				
<b>Expiration Date:</b>	05/31/21	COLORADO STATE CAPITOL 136 State Capitol DENVER, CO 80203				
<b>BUYER</b>		<b>SHIPPING INSTRUCTIONS</b>				
<b>Buyer:</b>		<b>Delivery/Install Date:</b> -				
<b>Email:</b>		<b>FOB:</b>				
<b>VENDOR</b>						
Palacio Strategies Group LLC						
155 Albion Street						
Denver, CO 80220						
<b>Contact:</b>	Rick Palacio					
<b>Phone:</b>	000-000-0000					
<b>VENDOR INSTRUCTIONS</b>						
<b>EXTENDED DESCRIPTION</b>						
Contractor shall complete the work as outlined in Exhibit A, the Statement of Work, attached hereto and incorporated by reference herein.						
Line Item	Commodity/Item Code	UOM	QTY	Unit Cost	Total Cost	MSDS Req.
1	91800		0	0.00	\$85,000.00	<input type="checkbox"/>
Description: CONSULTING SERVICES						
Service From: 12/01/20			Service To: 05/31/21			
<b>TERMS AND CONDITIONS</b>						
<a href="https://www.colorado.gov/osc/purchase-order-terms-conditions">https://www.colorado.gov/osc/purchase-order-terms-conditions</a>						
<b>DOCUMENT TOTAL = \$85,000.00</b>						

## **Exhibit A - Palacio Strategies Group Strategic Consultant - Statement of Work**

### **I. Project Description**

Palacio Strategies Group (hereinafter called “Vendor” or “Contractor”) will provide contractor services to the office of the Governor and serve as Strategic Consultant to the Governor. This contractor will utilize their federal and state government experience and in-depth relationships with federal, state, and local elected officials and stakeholders to provide strategic advice to the Governor, Chief of Staff, and other executive staff focusing on COVID response, economic recovery, and maximizing federal funds related to these issues.

### **II. Work Tasks, Deliverables and Timeline**

Essential duties and responsibilities of the office include:

- Provide strategic expertise and input for COVID response,
- Provide strategic expertise and input for economic recovery,
- Advise the Governor, Chief of Staff or other designees as appropriate for coordination of State and Federal efforts of economic recovery,
- Advise the Governor, Chief of Staff or other designees on strategically identifying spending priorities of anticipated federal funds to align with economic and COVID response,
- Provide strategic expertise and input to Governor’s communications office as it relates to COVID response and recovery, and
- Coordinate with other contractors and federal liaison to federal partners.

The Contractor shall use their own equipment, including but not limited to their own office space, telephone, and computer.

This contract position is intended to last through the end of May, 2021 or at least six months, with an assessment of ongoing need.

### **IV. Reporting**

- This contract position reports to the Chief of Staff, will advise the Governor and assist members of the Governor’s staff as needed and will participate in meetings as appropriate to carry out the functions of their contract.
- Contractor will work the appropriate number of hours to complete the projects assigned to them.
- Project Manager Lisa Kaufmann, Chief of Staff, will monitor project work performance to ensure conformance to timeline & scope of work.

### **V. Budget**

- The budget for this project is a total of \$85,000.

## VI. Payment

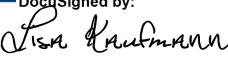
Payment will be made at the close of the month upon receipt and acceptance of an invoice from the vendor based on the following schedule:

- December, 2020: \$15,000
- January, 2021 – May, 2021: \$14,000 per month

## VII. Purchase Order Term

The Vendor shall begin work upon the later of the P.O. Service From Date as shown on the cover page of this P.O. or upon Vendor's acceptance of this Purchase Order. This Purchase Order shall terminate on May 31, 2021, unless sooner terminated or further extended as specified elsewhere herein.

## Authorized Signature:

DocuSigned by:  
  
7E39670D1025441...

Lisa Kaufmann, Chief of Staff

**Palacio Strategies Group LLC**

155 Albion Street  
Denver, CO 80220 US  
(719) 671-4784

**INVOICE**

**BILL TO**

Shari Ashley  
200 E. COLFAX AVE. #136  
Denver, CO 80203

**INVOICE #** 5132

**DATE** 12/28/2020

**DUE DATE** 12/28/2020

**TERMS** Due on receipt

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ACTIVITY	AMOUNT
<b>Consulting</b> Strategic Consulting December 2020	15,000.00
<hr/> <b>BALANCE DUE</b>	
<b>\$15,000.00</b>	

**Palacio Strategies Group LLC**

155 Albion Street  
Denver, CO 80220 US  
(719) 671-4784

**INVOICE**

**BILL TO**

Shari Ashley  
Colorado State Capitol  
200 E. COLFAX AVE. #136  
Denver, CO 80203

**INVOICE #** 5135  
**DATE** 01/31/2021  
**DUE DATE** 01/31/2021  
**TERMS** Due on receipt

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ACTIVITY	AMOUNT
<b>Consulting</b> Strategic Consulting	14,000.00
<hr/> <b>BALANCE DUE</b>	
<b>\$14,000.00</b>	